



## **Economic Development Regulations**

### *General Recommendations*

In order to have the best long term chances for successful revitalization, the mind set for the Martin Luther King study area should be to embrace the MLK study area's predominantly African American population and culture and target development that will both benefit from and serve the community. A mixed use, community concept can help maximize redevelopment opportunities by creating a destination for people to come.

- *Maximize income and employment opportunities.* Actively recruit employers to locate in the area and further provide a supply of a trained workforce living in the neighborhood. Often extensions of government offices or large, locally based firms with an invested interest in community image are good candidates.
- *Reduce crime.* One of the most desired improvements echoed throughout public involvement meetings and interviews with developers was to reduce crime in the area. The community feels that a successful revitalization is dependent on more police presence in the area, including additional mini-police precincts so that citizens are able to interact throughout the community in a safe manner. Additional ways that may also provide crime reduction include such things as Neighborhood Watch Programs, other crime prevention programs that the city Police Department may offer.
- *Develop a theme or brand name.* A theme or brand name will identify the corridor as a destination. This can be accomplished by tapping into the historical and cultural importance of this corridor.
- *Promote African-American and other minority owned-businesses.* One way to begin this process may be to gather the current minority owned business owners in the study area and address current needs and concerns. In addition, it may be useful to educate those in the area about the available tax incentives that currently exist for minority business owners, job credits, redevelopment zone/opportunity zone credits, etc. An incubator for black business start ups. Small businesses are the cornerstone of our economy and are vital to the redevelopment efforts in the study area. ADA , DCA, City of Atlanta and some other agencies provide a series of programs to help small businesses and entrepreneurs (<http://www.atlanta.com/entprnrSmallBus/creditsincentives.jsp> )
- *Further organize the role of the city and community organizations.* This will allow the area residents an opportunity to be aware of what is happening and a place for developers and business prospects to receive information. One such example of this is the West Philly Data InfoR which provides complete information on the community demographics, history, resources, vacant properties, etc.
- *Meet the human service needs of low and moderate income residents.* A general improvement in the physical and economic conditions along the corridor will not produce an improvement in the quality of life for low and moderate income residents. Quality and affordable public services and facilities are needed for everyone who lives in the area, but it is vital to the well being of low income residences or those with special needs. For instance, a large, health center along the transit friendly area would provide residents with access to quality health care.

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#### *Target Markets*

##### University Based Development

The Atlanta University Center offers a big opportunity for economic development. An example of a university base development in a similar demographic area is the University City neighborhood in Philadelphia. University City is home to the University of Pennsylvania, Drexel University, and others universities with more than 40,000 students. The conglomeration of institutions gives the neighborhood a core employment base to the area and over the last few decades, has lead revitalization efforts. A well organized mix of apartments, dormitories, and residential housing drap the neighborhood, providing a perfect home away from home for college students and an ideal university environment for faculty and staff. Neighborhood theaters, restaurants, and retail draw customers from a mix of students, residents, and those living outside the area.

While the AUC institutions are actively involved and support the MLK study area revitalization, this renewal process could also provide an active role for education and make opportunities for students, professors and staff. Continuing the mix of student dormitories, apartment developments, and residential housing - also targeting the area institutions' staff and professors will create a stable base for further development in the area. The young student base also provides for more restaurants, services, retail, and particularly evening entertainment such as music venues and movie theaters. There is a very active group in the Historic West End community called the University Community Development Corporation (UCDC) that is heavily involved in community infill development and rehabilitation. The (UCDC) is a not-for-profit, community-based corporation supported by The AUC Inc. Since 1988, the purpose of the UCDC has been to improve the physical neighborhood and enhance the quality of life for the more than 15,000 residents in the areas adjacent to the Atlanta University Center (AUC). This is done by:

1. Developing sustainable communities that include both market rate and affordable housing with an emphasis on quality, affordable home ownership;
2. Acquiring and reconstructing quality housing which include rental and for-sale units for affordable and mainstream household incomes;
3. Promoting economic development including small business development, job creation, and commercial retail development in our neighborhoods.

UCDC and the Westside communities work together in areas of common interest regarding the growth and development of our neighborhoods. In 2001, they facilitated The Greater Atlanta University Community assessment. This assessment is used as a guide to fulfill the community's mission of housing, commercial and economic development. It represents a collaborative effort by community organization leaders, residents, Neighborhood Planning Unit (NPU) leaders and AUC member institutions. The website for this organization is <http://www.ucdc.aucenter.edu>

##### MARTA Transit Oriented Developments Base

The Lindbergh Center Transit Oriented Development (TOD) in Atlanta has been noted nationally as an example of an innovative and successful TOD. In 1999, BellSouth, one of the largest employers in the Atlanta area, consolidated Atlanta offices into three locations along MARTA to cut costs and help decrease traffic and sprawl in the area. The corporation also based their location on their employee demographics, including commuting patterns and housing locations. The company

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received many tax credits and many incentive programs for employees using MARTA and van and car pools. In addition, the outlying MARTA stations include secured garages with computer hookups and phones to reduce any delay to their employee ability to conduct business.

The BellSouth move has ignited redevelopment in the area. Many blighted rental apartment buildings have now been torn down, new apartment buildings are underway and old, outdated strip malls are in the process of being replaced with new mixed-use development thus, giving rise to an the urban village concept around the MARTA station.

While the demographics around the Lindbergh Center TOD are not entirely similar to those around the MLK study area, it does contain several elements to consider as a potential outline for success around the MLK West Line stations. The following list outlines specific economic development ideas for the corridor related to the nodal development and TOD pattern promoted by the study:

- Appeal to a large employer to locate in the area near a transit station and supply them with a trained workforce from the neighborhood, thereby creating a dual purpose –bring income into the community and create employment opportunities for existing residents. The addition of an African American and minority business incubator, and an African American or minority business or business center would also bring positive results. The Department of Labor currently has a workforce development center located at the Hightower Shopping Center. Government offices provide a logical target for this area and this type of development. This could also be heightened by the university-based area with a site for education and training, arts, etc.
- Offer major incentives to encourage such a Transit Oriented Development. While incentives are costly, such a development would benefit the community by generating revenue and increasing area income at the same time. As outlined in the Section 4: Implementation, the city should use Quality of Life Bond and existing West Side Tax Allocation District revenues to make needed infrastructure improvements. The city should also encourage Urban Enterprise Zone participation along the corridor in the locations outlined in Section 4.
- Pursue successful African Americans in the music and entertainment industry to locate in the area and contribute to the needs of the community. One of the target industries is the music, film, and video production industry as having a great potential for job creation. A specific action item is to create forum to identify infrastructure needs and address the feasibility of development facilities.
- Promote training programs that supply skilled employees to health services providers. Create and facilitate a new industry form to support the growth of health services. Partner with Atlanta Public Schools to develop health services high school program. Support and grow companies in university based incubators. Identify and promote development opportunities near university campuses that will attract faculty, students, and businesses into the city. Coordinate with Universities and business community to ensure fit between continuing education and university extension programs and workforce development needs.
- Recruit traditional businesses that meet the local community needs and possibly incorporate ethnic themes such as day cares, dry cleaners, drug stores, grocery stores, banks, gyms, restaurants, clubs, and entertainment arenas.

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- Further educate the community on housing opportunities. This includes the numerous mortgage loan programs such as the SMART loan for living in housing within a quarter mile of a MARTA Transit Station, CDBG funds for housing rehabilitation and renovations, and enterprise zone tax exemptions.
- Finally, it is important to stress that transit passengers are customers who spend money. As stated in the existing transit conditions report for this study, the average passenger boardings on the West Line stations for FY 2004 are 17,000 on weekdays, 15,200 on Saturdays, and 10,000 on Sundays. Therefore, TOD businesses would not only serve local residents but could also capture market share from transit riders originating and terminating in other parts of the city.
- In addition, MARTA's West Line extension plan will not only increase the retail market potential from expanded transit ridership and commercial development, but also the residential housing demand as planned around the Adamsville / I-285 HRT Station Area Concept. It also moves some of the end of the line parking needs from HE Holmes, thus, opening up additional land for new development.

#### **Shopping Streets**

Current research has shown that residents will consider returning to urban neighborhoods if they are properly served by retail operations that offer day to day goods and services in a convenient, cost-competitive setting. Communities are finding that neighborhood shopping streets that combine small, locally owned businesses with nationally recognized stores into active main streets serve as an amenity for new residents. The new development on Moreland Avenue provides a prime example of urban in-fill development currently taking place within the City. Additional studies to examine the feasibility of redeveloping existing shopping centers and attracting national retailers should be conducted for Northside Drive, Lowery Street, Lynhurst Road and Fairburn Road. Incentives, such as those described in the above section, should also be used to attract new development.

#### **Interstate Interchanges**

Community residents expressed a strong desire for sit down restaurants and expressed their frustrations with their inability to attract a national brand, full service restaurant. The consumer spending patterns and effective buying income suggests that while the study residents may not be able to support such establishments alone, the location decision of these establishments are often driven by daily traffic. The interstate interchanges along the MLK corridor may provide this opportunity. The Interstate 285 area currently contains vacant properties and land which would be an ideal place for restaurants and hotels which were specified by many residents at public meeting for the study. As mentioned above in relation to transit passengers, pass through traffic should be looked at as potential market area.

#### ***Economic Development Incentives***

##### **Tax Allocation Districts**

A small portion of the eastern study area of the corridor lies within the Westside TAD. Revenues generated through property appreciation in these areas can be used within the tax allocation district to fund local improvement projects. In addition, the proposed BeltLine TAD would also cross MLK Jr. Drive. While the original TAD proposed does not encompass any of the corridors, this

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study recommends that the city amend the proposed TAD to include the MLK Jr. Drive corridor between Lowery Boulevard and West Lake Avenue. Including this portion of the corridor would provide additional funding mechanisms for implementing the streetscape and sidewalk improvements needed to connect the corridor to the BeltLine.

### **Atlanta Renewal Community Program**

A portion of the study area is located within the Westside Renewal Community area. Projects within the Renewal Community are eligible for significant tax incentives, such as tax credits, tax deductions, capital gains exclusions and bond financing. The Westside Renewal Community area combines six communities linked by Ralph David Abernathy Boulevard, MLK Jr. Lowery Boulevard, Northside Drive and Simpson Road. Communities in this cluster include West End Historic District, Vine City/ Lowery Boulevard, Simpson Road Corridor, Lee Street/Murphy Avenue Corridor, Greater

Designated as a Renewal Community by the Department of Housing and Urban Development (January 2002), Atlanta is eligible to share in an estimated \$17 billion in tax incentives to stimulate job growth, promote economic development and create affordable housing in areas suffering from disinvestment and decline. In accepting the designation, the Renewal Community will replace the City of Atlanta's Empowerment Zone (EZ). The appendix includes more information about Renewal Communities.

Established by the 2000 Community Renewal Tax Relief Act, the Renewal Community Initiative encourages public-private collaboration to generate economic development in 40 distressed communities around the country. Atlanta will receive regulatory relief and tax breaks to help local businesses provide more jobs and promote community revitalization. The City of Atlanta will utilize tax credits, tax deductions, capital gains exclusions and bond financing.

### **Urban Enterprise Zone Program**

An Urban Enterprise Zone (UEZ) is a designated district within a depressed area where the City of Atlanta and Fulton County may abate ad valorem taxes on new development, rehabilitation and certain inventories in order to encourage private investment and expand the tax base. The City may also waive development impact fees associated with development within enterprise zones. A recent study commissioned by the Atlanta Development Authority, *Comparative Analysis of Redevelopment Incentive Tools* (November 2005), recommended using UEZ's at activity nodes along the MLK Jr. Drive corridor to spur development. The ADA study recommended using UEZ's at the following locations along corridor (timing of UEZ recommendation shown in parenthesis):

- West Lake MARTA Station (mid-term opportunities)
- H.E. Holmes MARTA Station (near-term opportunities)
- Lynhurst Drive (long-term opportunities)
- Interstate 285 (long-term opportunities)
- Fairburn Road (mid-term opportunities)
- Interstate 20 (Adamsville) (mid-term opportunities)